

| Common Supplier Engagement Business Enterprise Architecture 3.0

Who are our industry partners, and what is the state of our relationship with them?

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| Common Supplier Engagement Business Enterprise Priority

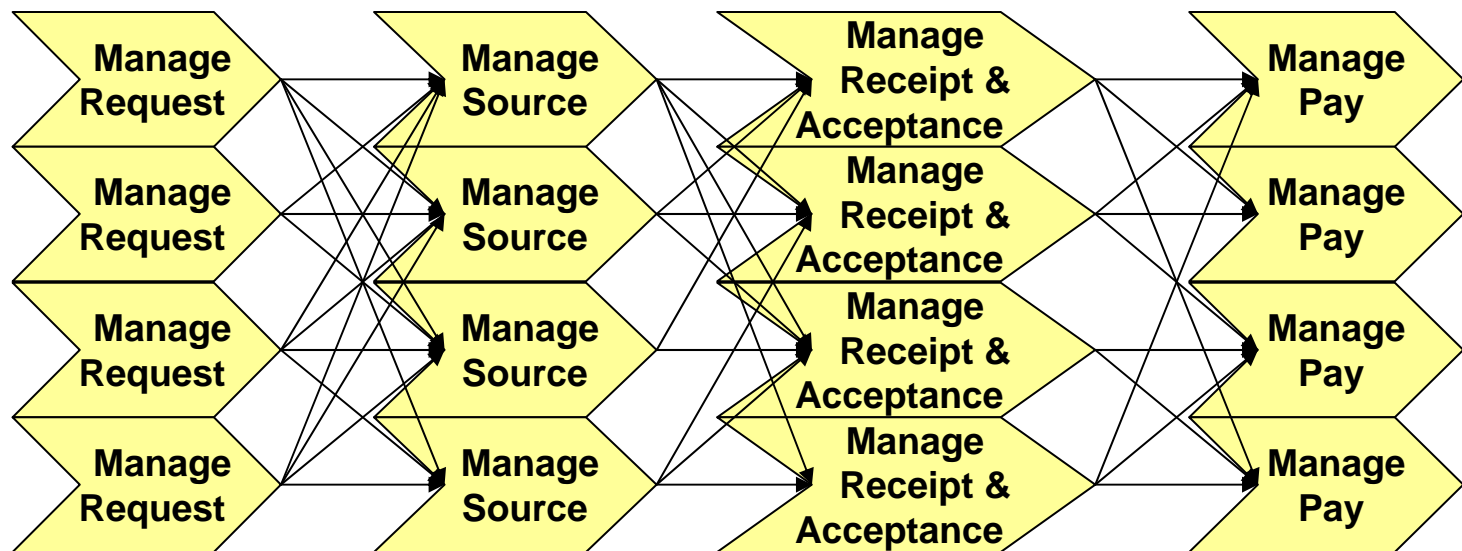
Common Supplier Engagement (CSE)

- ▶ **Definition:** The alignment and integration of the policies, processes, data, technology and people to provide a consistent experience for suppliers and DoD stakeholders to ensure reliable and accurate delivery of acceptable goods and services to support the Warfighter.
- ▶ **Goal:** Simplify and standardize the methods which DoD uses to interact with suppliers.
- ▶ **Objectives:**
 - Streamline and reduce complexities of the process touch points between DoD and suppliers
 - Adopt standard business processes, rules, data, and interoperable systems across DoD
 - Transform internal interfaces through use of standard data and adaptive strategies

Current Landscape: Divergent Business Process

Currently, divergent policies, processes, data, technologies, and people are utilized to acquire the Department's goods and services

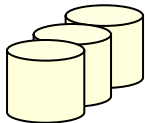
Lack of streamlined environment results in inconsistencies, inefficiencies, and inaccuracies across the enterprise



Current Landscape: Diverse Data

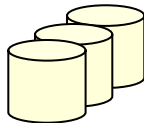
- ▶ **Currently, divergent processes, business rules and information capture lead to inconsistent, diverse data.**
- ▶ For example: ***“How much funding was spent with General Motors on Hummers in FY04?”***
 - Required information from all systems would include (at a minimum): ***Item, Cost, Quantity, Supplier, and Date***

Systems A



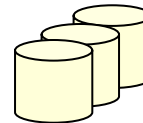
AUTO	HUMV
PRICE	\$50K
VOLUME	200
VENDOR	GENERAL MOTORS
DATE	05/02/2004

Systems B



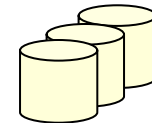
VEHICLE	HUMMER
COST	\$50,000
QUANTITY	50
SUPPLIER	GM
PURCHASE DATE	May 2, 2004

Systems C



TRUCK	HUM3
EXPENSE	50000.00
AMOUNT	100
SELLER	GENERAL MOTORS
MONTH	05
DAY	02
YEAR	2004

Systems D



SUV	H2
CONTRACTOR	AM General
PRICE	\$50,000
QUANTITY	200
FY	05-02-2004

CSE BEA Objectives

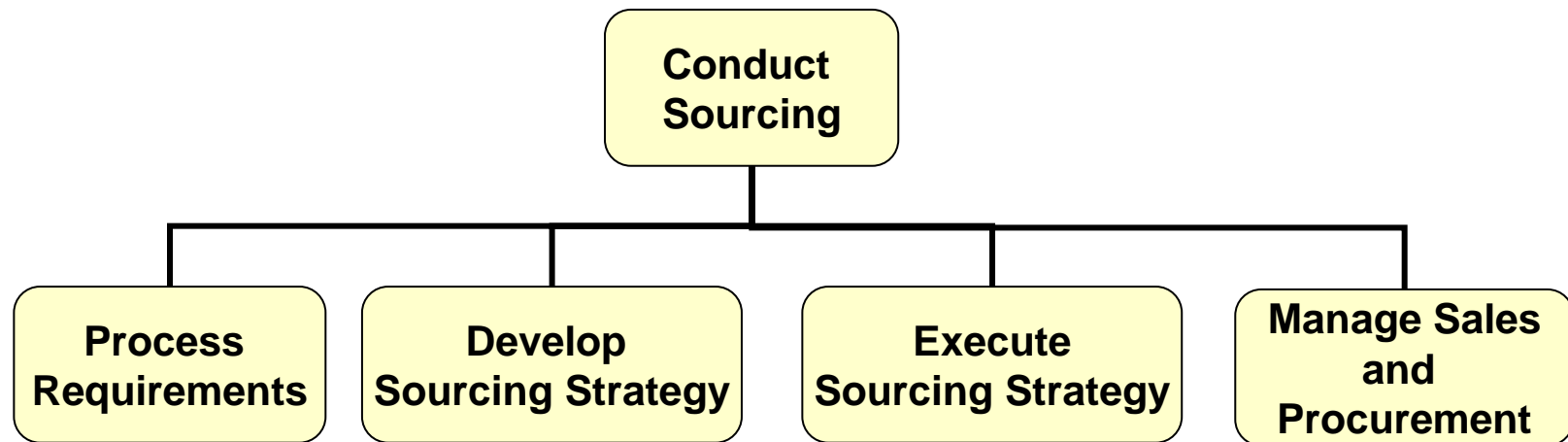
- ▶ Document **common, end-to-end supply chain business processes** and **business rules** to achieve standard data;
- ▶ Enable **data visibility, accessibility, understandability, and interoperability** throughout the DoD supply chain;
- ▶ Enable the discovery of **capability gaps** and **redundancies** to rationalize and modernize the IT portfolio of business systems; and
- ▶ Provide the **compliance framework** to drive new and existing systems to comply with common processes, rules, data, and systems functionality.

| Business Enterprise Architecture 3.0 (excerpts)

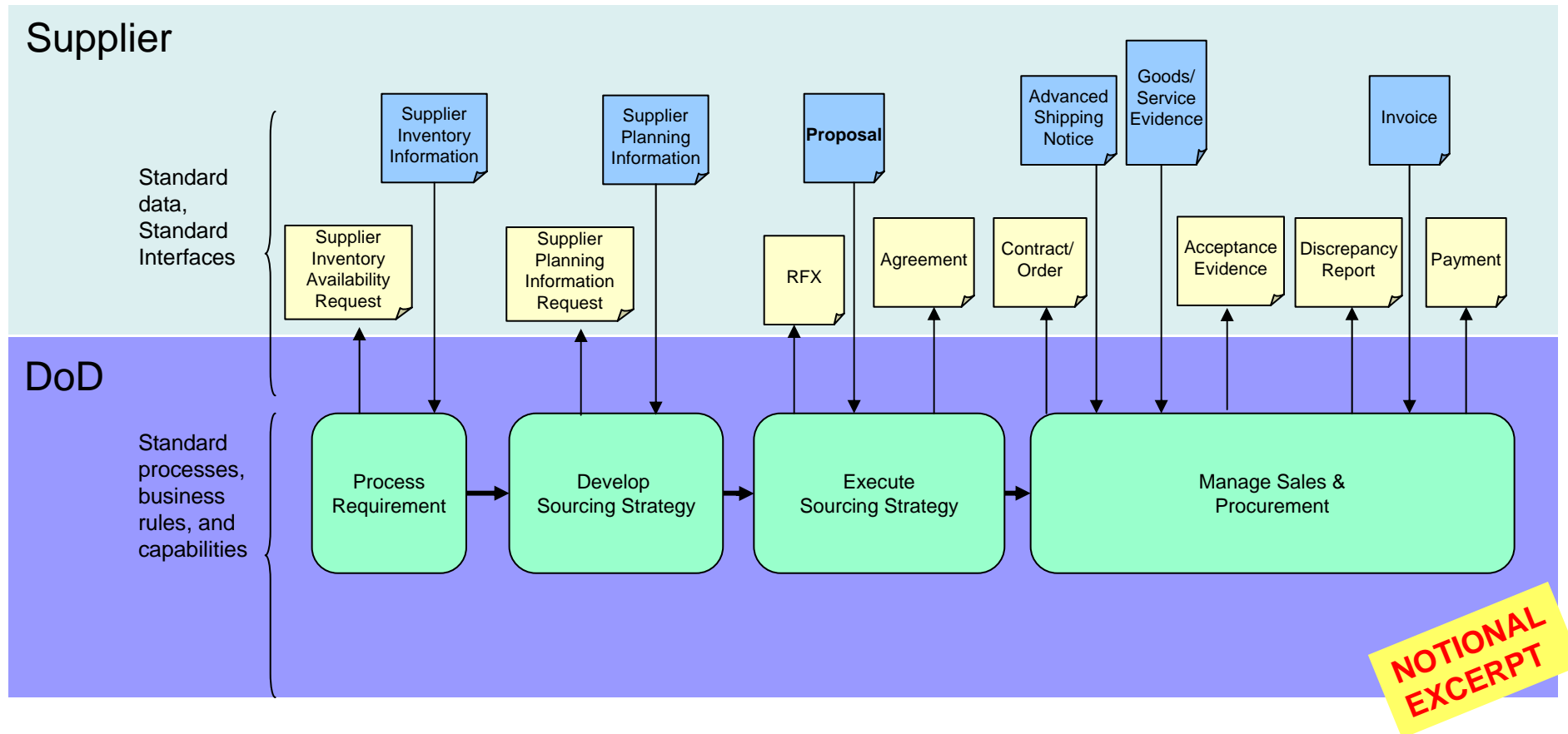
BEA Challenges and Outcomes Achieved

Current Challenges	BEA Outcomes	Key BEA Product
<i>Inconsistent processes</i> –information is captured, stored, and exchanged in a different way	<i>Enterprise-wide common processes and activities</i> ensure consistent process execution and standard data across the enterprise .	OV-6c, OV-5
<i>Divergent data standards</i> – inconsistent data capture, storage, and exchange. Inability to access, understand, share, and report information across the enterprise.	<i>Standard data and information exchanges</i> ensures enterprise wide data visibility, accessibility, understandability, and interoperability.	OV-7, OV-2, OV-3
<i>Divergent business rules</i> - Inconsistent processes, disparate data, inconsistent system enforcement of policy, law, and regulations.	<i>Enterprise business rules</i> ensure the process is executed and information is captured in a consistent manner and in alignment with policy, law, and regulations.	OV-6a
<i>Siloed and Redundant system functionality</i> - customized, duplicative systems to support divergent processes. Lack of interoperability throughout the end-to-end process.	<i>Enterprise systems and system functionality</i> requirements centralize common functionality and provides authoritative data sources.	SV-5, SV-1

OV-5 Node Tree



Key CSE Supplier Information Exchanges

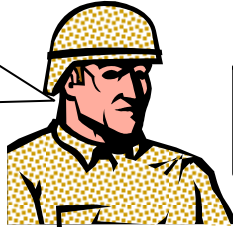


CSE & SFIS

SFIS Data Elements	CSE Data objects (excerpt)
DUID	<ul style="list-style-type: none"> – Request for Proposal
Federal/Non-Federal Indicator	<ul style="list-style-type: none"> – Agreement – Buyer Material and Maintenance and Service Status – Buyer Planning Information
Trading Partner Indicator	<ul style="list-style-type: none"> – Invoice – Contract or Order Information – Contract Closeout Information
Trading Partner Number	<ul style="list-style-type: none"> – Contract Execution Information – Evidence of Goods Tendered and Services Rendered – Procurement Report – Sub-contractor Report – Proposal – Supplier Information

Business Transformation through BEA Certification Interim Data Hub Solution

*How much funding
was spent with
General Motors on
Hummers in FY04?*

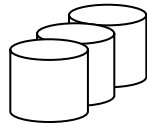


Information
Integration
Solution

VEHICLE	HUMMER
SUPPLIER	GENERAL MOTORS
PRICE	50,000.00
QUANTITY	450
PURCHASE DATE	05022004

**= 450 HUMMERS
\$22.5M TOTAL**

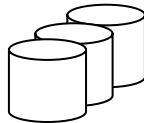
AUTO -> VEHICLE
SYSTEM A



AUTO	HUMV
PRICE	\$50K
VOLUME	200
VENDOR	GENERAL MOTORS
DATE	05/02/2004

COST -> PRICE

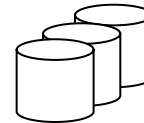
SYSTEM B



VEHICLE	HUMMER
COST	\$50,000
QUANTITY	50
SUPPLIER	GM
PURCHASE DATE	May 2, 2004

AMOUNT -> QUANTITY

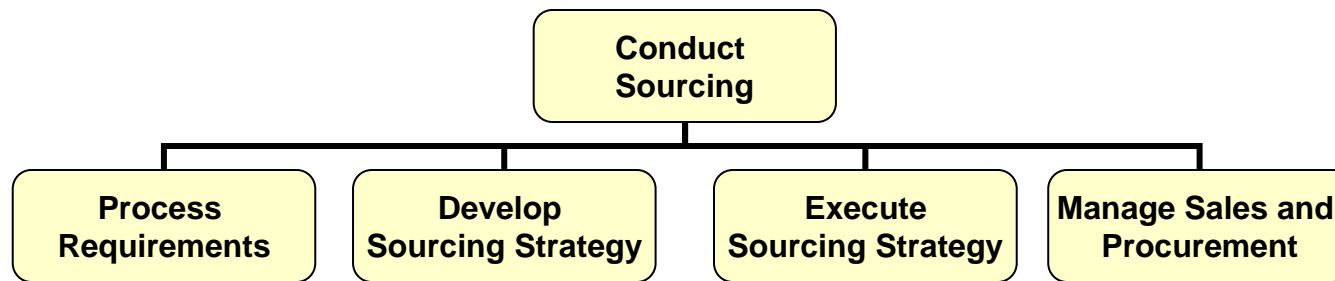
SYSTEM C



TRUCK	HUM3
EXPENSE	50000.00
AMOUNT	100
SELLER	GENERAL MOTORS
MONTH	05
DAY	02
YEAR	2004

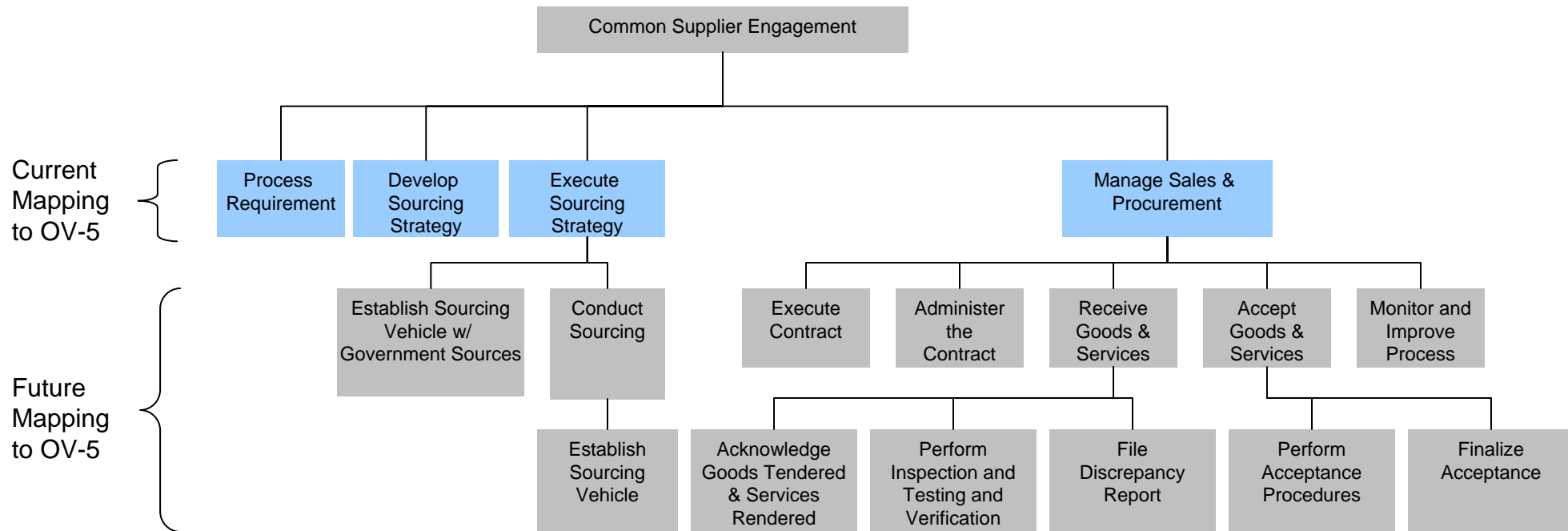
- All Information is shared throughout the supply chain
- Information can be extracted at any point in the process for consistent, reliable data

| Back-up

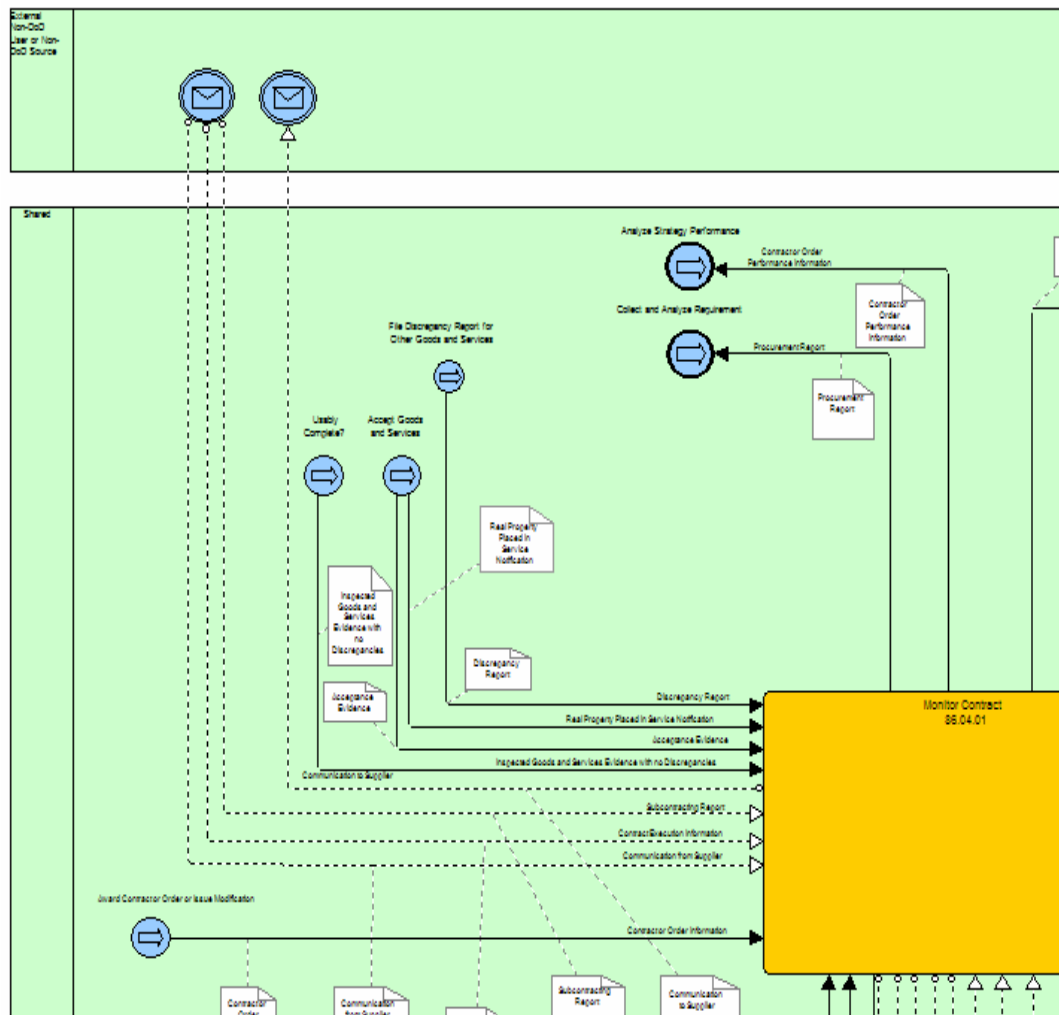


Capability	Definition
Conduct Sourcing	This activity includes managing sourcing requirements, developing a sourcing strategy to best satisfy the requirement, executing the sourcing strategy through solicitation and development of sourcing vehicles, and the management of the contract for goods and services. Management of the sourcing process to procure goods and services, including the awarding of the contract, receipt and acceptance of contract deliverables, monitoring of the contract, contract close-out, and other agreements.
Process Requirement	This activity supports the receipt of approved, funded requirements from requestors; analyzing, refining, and monitoring requirements; combining together multiple requirements or decomposing large requirements; and collaborating with requirement owner/requestor to clarify requirements. This activity also involves collecting new and past requirements and assessing past contracts and contract modifications from various sources and analyzing them to support enterprise and local planning for strategic sourcing.
Develop Sourcing Strategy	This activity determines the plan to acquire supplier/government-provided goods and services that satisfy the verified requirement. This includes identification of the method of procurement and the sourcing strategy (e.g., contracting requirements, stock issuance). Other activities that may be required are the identification of information such as program risks, milestones, funding, security, and information assurance based on the complexity of the requirement. Also includes the ability to analyze spend data, conduct market analysis, and assess acquisition business plan and procurement documents to develop sourcing strategies. Actions include analyzing spend, conducting market research and forecasting demand.
Execute Sourcing Strategy	This activity executes the determined sourcing plan, including solicitation activities such as preparation of pre-solicitation notices, development and publication of the Request for Proposal and associated documents, source selection and negotiation. This includes the ability to establish sourcing vehicles/sourcing agreements in support of the sourcing strategy and provide the ability to register, certify and manage vendor data, as well as track past vendor performance. This includes FAR-based agreements (commercial), FAR based agreements (non-commercial), and intra-governmental transactions.
Manage Sales and Procurement	This activity verifies commitment of funds, awards the contract, performs receipt and acceptance, tracks and monitors the contract to ensure that a commercial supplier is meeting requirements in accordance with the terms and conditions of the contract for providing goods/services, including support activities from contract award to close-out. This activity also manages transactions involving sales, services, and transfers between two entities of the government, including the ability to validate supplier/buyer information; enter, accept, review, send, issue, and modify inter/intra agency orders; send inter/intra agency agreement notifications; receive inter/intra agency procurement evidence; receive and accept goods obtained intragovernmentally; and receive inter/intra agency invoice.

CSE OV-6c Process Hierarchy



CSE OV-6c Process Notation



► Pools

- Depicted as separate lanes representing Core Business Missions (CBMs)

► Message Flow

- Depicted as dotted line to note that the information is exchanged with other pools

► Sequence Flow

- Depicted as non-dotted line to note that the information is exchanged within the pool

► Link Events (sequence)

- Depicted as arrows to indicate that the information is exchanged to/from other process in the same pool

► Link Events (message)

- Depicted as envelopes to indicate that the information is exchanged to/from other process in different pools

► Data Object

- Attached to all message/sequence flows where the appropriate entities and attributes are mapped to

CSE OV-7 Logical Data Model

► Definition

- Describes the structure of the CSE architecture's data concepts and the structural business process rules that govern that data. It provides a normalization/decomposition of architecture data topics, their attributes or characteristics, and their interrelationships.

► Purpose

- Key element in supporting interoperability between architectures.
- From a Data Strategy perspective, achieves the “understandability” for enterprise data.
- Normalization of the conceptual data and subjects of interest for the domain of the architecture.

► Logical groupings of data model content that improve readability and organize it into functional subject areas for CSE. Five “views” defined:

- Contract
- Supplier Agreement
- Supplier
- Contract Execution
- Solicitation

CSE OV-3 Matrix Excerpt

Need Line	Information Exchange	Source Node	Source Activity	Destination Node	Destination Activity	Referenced Data
External - Multi CBM	Proposal	External	Process Supplier Information	Multi CBM	Execute Sourcing Strategy	<ul style="list-style-type: none"> • INVITATION-FOR-BID • ORGANIZATION • REQUEST-FOR-INFORMATION • REQUEST-FOR-PROPOSAL • REQUEST-FOR-QUOTATION • SOLICITATION • SOLICITATION-LINE-ITEM • SOLICITATION-LOCATION • SOLICITATION-PERSON • SOLICITATION-US-DOD • ORGANIZATION SUPPLIER

NOTIONAL EXCERPT

CSE Data Objects

► BEA 3.0 CSE data objects (excerpt)

Acceptance Evidence	Procurement Report
Discrepancy Report	Spend Report
Procurement Evidence	Subcontractor Report
Agreement	Proposal
Sourced Requirement	Solicitation Information
Sourcing Plan	Source Selection Documentation
Sourcing Planning Information	Supplier Coordination Information
Invoice	Supplier Inventory Information
Contract Closure Information	Department of Defense Fund Balance
Contract Modification Information	Valuation Template
Contract or Order Information	Asset Record
Contract or Order Performance Information	Notification of Disbursement or Collection
Evidence of Goods Tendered and Services Rendered	Payment notification
Inspected Goods Evidence	Requirement Information
End Item Delivery Information	Supplier Information